



Guide Update 23-09: Letter of Credit Issuer Ratings

Effective: 06/12/23

Retired: 07/13/23

Summary of Changes

HIGHLIGHTS

Effective as of June 12, 2023, updated minimum Letter of Credit issuer ratings requirements.

Primary Changes

In Part I, Chapter 2: Mortgage Loan, Section 204.02: Issuers and Ratings, ratings criteria were updated for financial institutions issuing or confirming a Letter of Credit. A financial institution is eligible to issue or confirm a Letter of Credit if it satisfies the following ratings criteria:

- a Standard and Poor's long-term issuer rating of "A" or better; or
- a Moody's long-term issuer rating of "A2" or better.

Questions

Please contact Lender Risk Management at lender_risk_management@fanniemae.com with any questions.